

**UNITED STATES DISTRICT COURT
MIDDLE DISTRICT OF PENNSYLVANIA**

TIMOTHY TYLER, *et al.*,

Plaintiffs,

v.

CHESAPEAKE APPALACHIA,
L.L.C., CHESAPEAKE ENERGY
CORPORATION, and CHESAPEAKE
ENERGY MARKETING, L.L.C.,

Defendants.

CIVIL ACTION NO. 3:16-0456

JUDGE MANNION

ELECTRONICALLY FILED

**STATUS REPORT OF DEFENDANTS CHESAPEAKE APPALACHIA,
L.L.C., CHESAPEAKE ENERGY CORPORATION,
AND CHESAPEAKE ENERGY MARKETING, L.L.C.**

Pursuant to the Court's August 12, 2020 Order (ECF No. 64), Defendants Chesapeake Appalachia, L.L.C., Chesapeake Energy Corporation, and Chesapeake Energy Marketing, L.L.C. (collectively referred to herein as "Chesapeake") submit this report addressing the status of the voluntary Chapter 11 petitions of Chesapeake Energy Corporation and its subsidiaries in the United States Bankruptcy Court for the Southern District of Texas.

Chesapeake submitted a notice of pendency of bankruptcy to this Court on July 7, 2020 (ECF No. 63). On October 30, 2020, Plaintiffs filed Proofs of Claim with the Bankruptcy Court, seeking relief for the claims alleged in the Complaint filed in this Action. Chesapeake emerged from bankruptcy on February 9, 2021, and

then filed a Status Report with the Court on February 22, 2021 (ECF No. 66). Chesapeake previously reported to the Court that Plaintiffs had filed a Motion for Permissive Abstention in the Bankruptcy Court, seeking, *inter alia*, abstention by the Bankruptcy Court so that Plaintiffs may pursue and enforce purported post-Effective Date breaches in this Court and may have claims related to purported pre-Effective Date breaches determined in this Court (Bkr. S.D. Tex. ECF No. 3359). On January 18, 2022, the Bankruptcy Court conducted a hearing on this Motion and advised the parties that Plaintiffs' Motion for Permissive Abstention as to Pre-Effective Date claims was premature, given that Chesapeake had not yet filed an objection to the Proofs of Claim in the Bankruptcy. Plaintiffs agreed to withdraw their Motion for Permissive Abstention without prejudice to re-file should Chesapeake file an objection to the Proofs of Claim at a later date. (Bkr. S.D. Tex. ECF No. 4191). Chesapeake's deadline to file objections to Plaintiffs' Proofs of Claim is February 3, 2023, and objections still have not been filed in the Bankruptcy Court.

As noted in the last report, the parties have stipulated that Plaintiffs may proceed with claims outside of the Bankruptcy Court as to conduct alleged to constitute purely Post-Effective Date claims. (Bkr. S.D. Tex. ECF No 4260). However, this action, as presently pled and briefed in the pending Motion to Dismiss (ECF No. 54) alleges **both** Pre-Effective Date and Post-Effective Date claims, and

does not limit the requested relief to solely Post-Effective Date conduct. Given that Plaintiffs' Pre-Effective Date claims are pending before the Bankruptcy Court, and Plaintiffs' Motion for Permissive Abstention was not granted (and has been withdrawn), Plaintiffs cannot move forward with their Pre-Effective Date claims in the Middle District.

Chesapeake will provide this Court with updates regarding this matter pursuant to the August 12, 2020 Order.

Dated: August 22, 2022

Respectfully submitted,

/s/ John B. Dempsey

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CERTIFICATE OF SERVICE

I hereby certify that on August 22, 2022, a copy of the foregoing was filed electronically. Notice of this filing will be sent to all parties who have appeared in this action via the Court's electronic filing system. Parties may access this filing through the Court's system.

/s/ John B. Dempsey

John B. Dempsey

Attorney for Defendants